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DEPARTMENT OF TREASURY
LANSING

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TO: Participating Schools and Lenders

FROM: Diane Todd Sprague, Director 

DATE: June 22, 2007

SUBJECT: Educational Loan Notes

NEW STUDENT LOAN INTEREST RATES

The variable interest rate on student loans originated prior to July 1, 2006, will increase by 0.08 percent beginning July 1, 2007. The interest rates on these loans are reset each July 1 based on the last 91-day Treasury Bill auction held in May.

Variable interest rates beginning July 1, 2007, are as follows:

- Stafford (in-school/grace): **6.62%**
- Stafford (repayment): **7.22%**
- PLUS: **8.02%**

Rates on fixed rate loans (which were originated on or after July 1, 2006) are not changing and remain at 6.8% for Stafford and 8.5% for FFELP PLUS.

The new interest rates for PLUS loans that were disbursed prior to July 1, 1998, are based on the weekly average of the one-year constant maturity Treasury yield. These rates will not be determined until late June and will be published in the July issue of *Educational Loan Notes*.

The interest rates on consolidation loans are the weighted average of the rates on the loans being consolidated, rounded up to the nearest 1/8th of a point, capped at 8.25%. The consolidation rate is a fixed rate.

Attached to this issue of *Educational Loan Notes* are detailed [charts](#) which feature the new rates that become effective July 1, 2007, for new and existing loans. If you have any questions, please contact Pat Fromm at 800-642-5626, extension 36076, or via email at frommp@michigan.gov.



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**REMINDER – JULY 1 EFFECTIVE DATE
FOR OSLC ARCHIVE POLICY CHANGE**

As Mapping Your Future (MYF) has been publicizing since last fall, **July 1, 2007, is the effective date for the new archive policy for MYF's Online Student Loan Counseling (OSLC) records.** The new policy will limit the length of time MYF retains counseling records to better protect borrowers' confidential data. This emphasizes the importance of schools ensuring that a copy of the counseling record is retained, either electronically or on paper.

Schools are encouraged to review their current and past record retention policies and files to ensure that they are comfortable with the level of documentation that was retained to document that the counseling session was completed. If there are concerns about the level of detail retained in the past, then reports or files should be generated before July 1 to create sufficient documentation.

Beginning July 1, the policy will stand as follows:

- The most recent year of counseling records will be available online for schools to retrieve.
- The preceding two years will be available offline upon customer service request.

MYF recommends that schools retain a copy of the full counseling record for documentation. The full record contains all of the information that the student enters on the student form at the end of the counseling session, such as the student's demographic information, employer, references, next of kin, etc.

If schools haven't regularly retrieved loan counseling records or retained them per record retention requirements, MYF recommends they begin doing so immediately, concentrating on older records first before MYF archives them.

More information on record retrieval is located in the OSLC User's Guide at mapping-your-future.org/services/oslcpsindex.htm. If you have questions about retrieving OSLC records, contact Beth Ziehmer at feedback@mapping-your-future.org or (573) 796-3730.

**STUDENT LOAN BORROWERS CAN
VIEW REAL-TIME LOAN DATA IN
MYF'S EXIT COUNSELING**

Students completing Mapping Your Future's exit counseling now may obtain complete and timely loan information during the session. This new free service, which enables students to be better informed about their loan indebtedness and therefore better prepared to manage their student loans, is the result of collaboration between MYF and Meteor.

Meteor Borrower Display, as the new service is known, is a customized application. "This new service empowers students by providing them with current information," said Cathy Mueller, MYF executive director. "Students who are better informed about the status of the student loans upon graduation are better able to prepare for life after college. This new service fits with our mission of empowering students so they can lead successful lives."

Tim Cameron, Meteor's project manager, states, "This customized implementation of the Meteor software truly shows the power and flexibility of Meteor. The collaboration between MYF and Meteor on this enhanced Web service brings the flexibility of the software and the network to a whole new audience of student borrowers."

For more information about creating Meteor Borrower Display, contact CariAnne Behr, MYF's project manager, at carianne@mapping-your-future.org or (573) 634-8641.

**HOUSE PASSES
FOUR-MONTH HEA EXTENSION**

The U.S. House of Representatives passed under suspension of the rules the Higher Education Act Extension Act of 2007 (H.R. 2559), legislation to extend programs under the Higher Education Act (HEA) through October 31, 2007. Provisions of the HEA were slated to expire on June 30, 2007.

SCHOOLS HEAR THE LATEST AT MGA'S 2007 SPRING SCHOOL WORKSHOPS

The Michigan Guaranty Agency (MGA) sponsored Spring School Workshops at Schoolcraft College on May 14 and Kalamazoo Valley Community College on May 15. The workshops were attended by 95 financial aid professionals from 45 different schools. Mason Moton, Customer Training Representative, Sallie Mae Guarantee Services, presented valuable information on:

- Federal Update
- The Role of Student Loan Guarantors
- Citizenship
- How are Financial Aid Laws and Regulations Made?
- Consumer Information
- Overview of Federal Verification and Taxes

Workshop evaluations indicate that the Federal Update and Federal Verification and Taxes sessions were the most helpful. Participants also enjoyed a challenging case study after the Federal Verification and Taxes session.

Workshop manuals are available for those who were unable to attend. If you would like a manual, please contact Stacy Cardwell at extension 36074 or via email at cardwells@michigan.gov.

GEAR UP ACTIVITIES

MGA's Outreach Services has just completed a successful series of Extreme Reality programs in collaboration with the University of Michigan-Dearborn's GEAR UP schools. Each Extreme Reality exercise stressed the importance of higher education and illustrated how more education can influence career choice and impact lifestyle. Outreach Services staff talked with the students about career salaries; managing household finances; the meaning of scholarships, grants, and loans; the importance of saving money; and wise decision making.

Every student who participated in one of our sessions was presented with a declaration ring and pencil that display our logo and slogan, "Dream. Believe. Achieve." In emphasizing the



GEAR UP students at Winterhalter Middle School in Detroit.

importance of higher education we want students to realize that to accomplish goals they must have a dream, believe that the dream is possible, and maximize every opportunity they have to achieve that dream.

For more information regarding the Extreme Reality Program, please contact Peggy LaFleur at extension 38319 or via email at lafleurp@michigan.gov; Betty Calloway at extension 39639 or via email at callowayb@michigan.gov; or Patty Hill at extension 30651 or via email at hillpl@michigan.gov.

NEW NSLDS ASSISTANT

Rita Ray recently accepted the position of departmental technician/assistant to the National Student Loan Data System (NSLDS) coordinator at the Michigan Guaranty Agency. She will work closely with our NSLDS coordinator/analyst, Helen Kitchenmaster, to continue to improve excellence in data integrity for MGA.

Rita brings a wealth of skills and experience to the position, having worked for MGA for ten years as an account examiner. She was utilized as a trainer for new Collections staff, and will continue to function as the loan consolidation expert and liaison to the U.S. Department of Education (ED) and lenders on consolidation issues. Rita is also a member of MGA's Outreach Team, participating as a speaker and representative at community events.

(Continued on the next page.)

MGA's NSLDS area primarily researches errors from edit reports received from NSLDS on a monthly basis and contacts the appropriate lenders and schools to have them correct reporting and eliminate inconsistencies. MGA significantly exceeds industry averages for accuracy in NSLDS reporting, and Rita will help us take a more proactive approach to pursue accuracy before discrepancies are reported to the database.

NSLDS is the national database of information about loans and grants awarded to students under Title IV of the Higher Education Act (HEA) of 1965, as amended. NSLDS provides a central, integrated view of these loans and grants during the entire life of the loans. This includes aid approval, disbursement, repayment, delinquency, and closure.

Sources for the information include the Federal Family Education Loan Program (FFELP) for information on federal student loans; the Department of Education Debt Collection Services (DCS) for information on defaulted loans held by ED; the Federal Direct Loan Program (FDLP) for information on Federal Direct student loans; the Federal Pell Grant Program, for Pell Grant information; the Central Processing System (CPS) for applicant information; and guaranty agencies, schools, and lenders for information on students, loans, and grants. Information is reported by these entities at least monthly and helps all parties identify and correct inconsistencies.

You may call the NSLDS Customer Service Center at 800-999-8219 Monday through Friday, 8:00 a.m. to 9:00 p.m., or email them at nslds@ed.gov. The NSLDS Web site is also available at www.nslds.ed.gov. To reach MGA for questions regarding NSLDS, contact Customer Services at extension 77009.

MGA EMPLOYEE RETIRES

Beverly Bristol, an analyst for the Michigan Guaranty Agency, retired on April 30th after 30 years of service for the State of Michigan. She handled a multitude of functions, drawing on her experience as a former clerk typist in collections and as a departmental technician. She will be fondly remembered and missed by all. Her future plans include moving to sunny Florida, or at least spending a lot more time there. We wish her the best in her happy retirement.

NEW DEPARTMENTAL ANALYST

We are pleased to introduce Michelle Spitzley as MGA's new analyst who will take over the responsibilities for:

- Loan compromise and settlement.
- Loan discharge/forgiveness programs, including teacher loan forgiveness and school closure.
- Assisting with fraud, false certification, and identity theft issues.
- Subrogation of loans to the U.S. Department of Education.
- IRS tax refund offsets.
- Reasonable and affordable payment plans and Administrative Wage Garnishment hearings.
- MGA's outside collection agency liaison.

Michelle has been with MGA since 2005 as a collector before being promoted to the analyst position. She has an associate's degree in accounting from Davenport College, and came to us with previous experience in accounting and office management. When her extensive duties for the day as an analyst are over, she keeps very busy with her husband attending their two active daughter's basketball, softball, and volleyball games.

Michelle may be contacted at extension 60828 or via email at spitzleym1@michigan.gov.

REMINDER TO LENDERS REGARDING FEDERAL DEFAULT FEE

An email was sent to MGA's lending partners on March 22, 2007, announcing that MGA will be covering 75 percent of the one percent federal default fee for all Stafford, PLUS, and Grad PLUS loans guaranteed on or after July 1, 2007.

This is a reminder that all lenders will be responsible for reporting and remitting payment of the remaining 25 percent of the one percent federal default fee to MGA for

(Continued on the next page.)

Stafford, PLUS, and Grad PLUS loans guaranteed on or after July 1, 2007. Lenders choosing not to cover the remaining 25 percent of the one percent federal default fee will need to begin deducting that amount from the proceeds of their borrowers' loans.

Please note that the guarantee will be revoked on any loan for which MGA has not received the federal default fee by 120 days after disbursement.

Loans received for guarantee by June 30, 2007, at 9:00 p.m. Eastern Standard Time will have a guarantee date of June 30, and MGA will cover the entire one percent federal default fee for those loans. We cannot, however, ensure that loans received after 9:00 p.m. will have a guarantee date of June 30.

MGA, through our servicer Sallie Mae, has three separate fee billing/payment processes in place:

Standard Fee Billing - Lenders/lender servicers will receive a paper statement each month detailing loans that were disbursed during the previous month. Lenders/lender servicers will be responsible for reviewing the statement, noting any loan cancellations or adjustments, and returning the statement and the required fee payment to Sallie Mae on MGA's behalf. Refunds will be forwarded to the lender/lender servicer for adjustments.

CAM - Lenders/lender servicers using Common Account Maintenance (CAM), the student loan industry's electronic standard, will transmit data via FTP (File Transfer Protocol) for all loans disbursed and the corresponding federal default fee to be paid. Lenders/lender servicers will send the required fee payment at the same time they transmit their supporting data. Payments and file data will be reconciled by MGA's servicer, and any unpaid fees that are discovered via reconciliation will be noted in a past-due file that is sent via CAM once per month.

Fee Express - Lenders/lender servicers using this proprietary processing system will transmit electronic data for all loans disbursed and the corresponding federal default fees to be paid. Lenders/lender servicers will send the required fee payment at the same time they transmit their

supporting data. Payments and file data will be reconciled by MGA's servicer, and any unpaid fees that are discovered via reconciliation will be noted in a past-due report that is sent via paper once per month. Lenders and lender servicers using Fee Express may elect to submit their files via FTP or magnetic cartridge. You must submit your files/payments at least once per month, but you may transmit more frequently if you choose.

There are a variety of methods that will accommodate electronic file handling, and lenders or lender servicers interested in using CAM or Fee Express for their federal default fees should contact MGA's guarantor servicer, Sallie Mae, to discuss the best option for your environment and needs.

For further information regarding electronic options or to set up file testing, please contact Sallie Mae's Default Fee Operations Unit at (317) 806-4909. For general questions regarding the federal default fee, or to request a step-by-step guide for Standard Fee Billing, please contact Pat Fromm at extension 36076 or via email at frommp@michigan.gov.

**UPDATED LIST OF LENDERS
AGREEING TO PAY THE REMAINDER
OF THE FEDERAL DEFAULT FEE**

Attached to this issue of *Educational Loan Notes* is an updated [list of lenders](#) who have agreed to pay the remaining 25 percent of the one percent federal default fee on behalf of their borrowers.

**ED OFFERS ADDITIONAL GUIDANCE
ON LOAN VERIFICATION CERTIFICATES**

ED has issued guidance explaining additional exceptions to the requirement that a loan holder complete a [Loan Verification Certificate](#) (LVC) when it receives the LVC from a consolidating lender.

Dear College Letter (DCL) [GEN-07-03](#) notes the following additional circumstances in which the loan holder is not required to complete the LVC:

(Continued on the next page.)

- The loan holder had within the last 90 days completed an LVC on the borrower's loan for another lender, which would indicate that the borrower may have more than one consolidation loan application outstanding.
- The borrower appears to have no eligible loans other than a single consolidation loan held by the loan holder. (NSLDS or other available records indicate that the borrower already has consolidated all eligible loans.)
- The loan holder receives an LVC that does not include the name and lender identification number of the eligible lender or trustee lender that received the borrower's application under Item 19 of the LVC.

These exceptions are in addition to those that ED previously announced in DCL [GEN-06-20](#). The new letter also requires the lender that receives the LVC to report information regarding some exceptions directly to ED. The letter provides details regarding the information to report, the reporting format and file-encryption information.

MILITARY DEFERMENT REQUEST FORM NOW AVAILABLE

ED recently released DCL [GEN 07-04](#) announcing the approval of a new Military Deferment Request form. The Dear Colleague Letter provides the form in both PDF format and Microsoft Word format, along with instructions on printing and details regarding allowable customization of the form.

This Military Deferment Request form is available for immediate use, but FFELP participants must make the new form available to borrowers no later than October 1, 2007. Requests for the military deferment made by borrowers using other means that were in place before October 1, 2007, may continue to be processed after that date.

Under provisions established by the Higher Education Reconciliation Act of 2005 (HERA), a borrower may defer repayment on eligible loans for up to three years while he or she is serving on active duty or performing qualifying

National Guard Duty during a war or other military operation or national emergency. The new military deferment created by HERA is available only for loans that were first disbursed on or after July 1, 2001.

The Military Deferment Request form is available for download from our Web site at mgaloan.com by clicking on "Forms and Documents" and selecting the appropriate link under "Deferment and Forbearance Forms."

THE "ED" PIPELINE

Following is a description and link to some of the most recent ED correspondence for schools and lenders.

Dear Partner
May 2007
[ANN-07-09](#)

This letter announces Federal Student Aid's online training opportunities on the FSA Assessments, the ISIR Analysis Tool, and the Quality Assurance Program.

Dear Partner
May 2007
[ANN-07-10](#)

This letter announces Federal Student Aid's 2007-08 online, instructor-led training sessions on Applicant Data Resolution. Topics covered include resolving student application data rejects and using ED's Web-based systems to correct errors.

Dear Partner
June 2007
[ANN-07-12](#)

This letter announces additional sessions of Federal Student Aid's 2007-08 online, instructor-led training sessions on ED's Return of Title IV Funds software. Topics covered include using the online R2T4 calculation software properly to calculate the return of

(Continued on the next page.)

federal funds resulting from student withdrawals. This session includes the changes to the R2T4 calculation resulting from the Higher Education Reconciliation Act of 2006.

Dear Partner

May 2007

[GEN-07-03](#)

[FP-07-07](#)

This letter responds to questions ED has received as a result of previous guidance concerning the completion and return of Loan Verification Certificates (LVCs).

Dear Partner

June 2007

[GEN-07-04](#)

This letter announces the availability of the new Military Deferment Request form.

SCHOOL LIST UPDATES

The following changes should be recorded by lenders on MGA's "Active Michigan School List" dated January 17, 2007. If you have any questions regarding these changes, please contact Stacy Cardwell at extension 36074 or via email at cardwells@michigan.gov.

Contact Name Changes

Adrian College, Adrian, 002234-00

Andy Spohn's title is Director of Financial Aid.

Lansing Community College, Lansing, 002278-00

Stephanie Bogard is the new Director of Financial Aid. Stephanie's telephone number is 517-483-1304, fax number is 517-483-1170, and her email address is lees@lcc.edu.

Address Changes

Ross Medical Education Center, Brighton, 023397-00

Delete 5757 Whitmore Lake Road, Suite 800, Brighton. The new address is 8110 Murphy Drive, Brighton, MI 48116.

School of Creative Hair Design, Coldwater, 031103-00

Delete 470 Marshall Street. The new address is 440 Marshall, Coldwater, MI 49036.

"Q" AND "A"

MANAGING OVERAWARDS

What happens when a student receives additional financial assistance or the student's expected family contribution (EFC) has increased, changing the student's eligibility for the student's certified Stafford loan?

An overaward is created when the student's aid package exceeds the student's needs. Occasionally, circumstances may change after the aid has been awarded creating the overaward. Pell grants are never adjusted to take into account other forms of aid. If there is a Title IV overaward, other aid will need to be adjusted. Overawards are only applied to Stafford loans, not PLUS loans or loans made to students enrolled in eligible foreign schools. Up to \$300 of Federal Work-Study earnings are excluded from the determination of an overaward. See CR 34 682.604(h).

If a school learns that a student received financial assistance that was not included in calculating the student's eligibility for aid and that assistance would result in the student's total aid exceeding his or her financial need, the school must take steps to resolve the overaward. Before reducing a student's ACG or National SMART Grant the school should reevaluate the student's need in order to determine whether he or she has increased need which was not anticipated when the school initially awarded aid to the student. If the student's need has increased and if the total assistance does not exceed the revised need, the school is not required to take further action.

If the school recalculates the student's need and determines that the total assistance still exceeds his or her need, the school must reduce or cancel any future Title IV or institutional disbursements. Beginning with any unsubsidized

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loans the student is scheduled to receive, the school must first reduce a student's level of borrowing. If the school failed to follow required procedures, the school must repay any Title IV overpayment. If the school followed the required procedures and the Title IV overpayment is greater than \$25, the student must repay the overpayment.

If, before Stafford or PLUS funds are disbursed to the student, the school discovers that there will be an overaward, the school must eliminate the overaward. If the school has certified the loan but has not received the funds, they can ask the FFELP lender to cancel the loan or reduce the loan proceeds. As an alternative, the school can reduce or cancel aid over which they have control.

If the school has already received the funds, there are a number of options:

- If the package includes an unsubsidized Stafford loan, PLUS loan, or a nonfederal loan and the aid package does not already apply these loans to finance the EFC, the school may choose to adjust the aid package so that all or some part of these loans replaces the EFC, thus reducing or eliminating the overaward.
- The second or subsequent disbursement of a Stafford loan can be canceled or

reduced. For a FFELP loan, the school must inform the lender of the reduced award in a written statement explaining the return of proceeds and requesting cancellation or reduction of subsequent disbursements.

If an overaward occurs after Stafford loan funds have been fully disbursed, there is no Stafford loan overaward that needs to be addressed. No adjustments are required under current federal regulations. However, the school may adjust the aid package to prevent an overaward of campus-based funds and offset the student's receipt of Title IV funds.

Although a school is not required to return Stafford loan funds that were disbursed to the borrower either directly or applied directly to the student's account before the overaward situation occurred, the school may return funds that were applied to the student's account if they wish. A borrower who receives a direct payment of the loan funds is not required to repay an overawarded amount, unless the overaward was caused by the student's misreporting or withholding information.

Information for this article was obtained from the *Common Manual*, Chapter 8.6, and from the *2006-2007 Federal Student Aid Handbook*, Volume 5, Chapter 1.

Is there a topic you would like to see addressed in a future "Q" and "A"? Send your suggestions to Jim Peterson, editor, at peterstonj@michigan.gov.



Calendar of Upcoming Events

June 2007

24-27 MSFAA Summer Training
Crystal Mountain
Thompsonville, Michigan

July 2007

4 MGA Offices Closed

8-11 NASFAA Annual Conference
Marriott Wardman Park
Washington, DC

17 Mapping Your Future Evening Chat
General financial aid, student loan, and
money management questions.

If you need further information or wish to submit items for the calendar, please contact Jim Peterson, Editor, at extension 36944 or via email at petersonj@michigan.gov.

Federal Family Education Loan Program
“Converted” Variable Rate Stafford Loan Interest Rates
July 1, 2007 through June 30, 2008
(Loans that were subject to the “Windfall Profits.”)

Table 1

INTEREST RATE FORMULA (T-Bill Rate + Additional Sum = Total)					
Type of Loan	91-Day Treasury Bill Rate	Additional Sum	Total	Maximum Rate	Interest Rate for the Period 7/01/07 – 6/30/08
8/10% loans (made prior to 7/23/92)	4.92%	3.25%	8.17%	10%	8.17%
7% loans	4.92%	3.1%	8.02%	7%	7.00%
8% loans	4.92%	3.1%	8.02%	8%	8.00%
9% loans	4.92%	3.1%	8.02%	9%	8.02%
8/10% loans (made on or after 07/23/92)	4.92%	3.1%	8.02%	10%	8.02%

Federal Family Education Loan Program
Regular Variable Rate Stafford Loan Interest Rates
July 1, 2007, through June 30, 2008

Table 2

INTEREST RATE FORMULA (T-Bill Rate + Additional Sum = Total)								
Type of Borrower	First Disbursement Made On or After	First Disbursement Made Before	During Periods	91-Day Treasury Bill Rate	Additional Sum	Total	Maximum Rate	Interest Rate for the period of 7/01/07 – 6/30/08
“New” borrower	10/01/92	7/01/94		4.92%	3.1%	8.02%	9%	8.02%
“New” borrower	7/01/94 (for a period of enrollment ending prior to 7/01/94)			4.92%	3.1%	8.02%	9%	8.02%
All borrowers (regardless of prior borrowing)	7/01/94 (for a period of enrollment that includes or begins on or after 7/01/94)	7/01/95		4.92%	3.1%	8.02%	8.25%	8.02%
All borrowers (regardless of prior borrowing)	7/01/95	7/01/98	In-school, grace, and deferment periods	4.92%	2.5%	7.42%	8.25%	7.42%
			All other periods	4.92%	3.1%	8.02%	8.25%	8.02%
All borrowers (regardless of prior borrowing)	7/01/98	7/01/06	In-school, grace, and deferment periods	4.92%	1.7%	6.62%	8.25%	6.62%
			All other periods	4.92%	2.3%	7.22%	8.25%	7.22%

Federal Family Education Loan Program
Variable Rate PLUS and SLS Loan Interest Rates
July 1, 2007, through June 30, 2008

Table 3

INTEREST RATE FORMULA (T-Bill Rate + Additional Sum = Total)								
Type of Loan	First Disbursement Made On or After	First Disbursement Made Before	91-Day Treasury Bill Rate	One-year Constant Maturity	Additional Sum	Total	Maximum Rate	Interest Rate for the Period of 7/01/07 – 6/30/08
PLUS/SLS*		10/01/92		TBD**	3.25%	TBD	12%	TBD
SLS*	10/01/92 (for a period of enrollment beginning prior to 7/01/94)			TBD**	3.1%	TBD	11%	TBD
PLUS*	10/01/92	7/01/94		TBD**	3.1%	TBD	10%	TBD
PLUS	7/01/94	7/01/98		TBD**	3.1%	TBD	9%	TBD
PLUS*	7/01/98	1/01/00	4.92%		3.1%	8.02%	9%	8.02%
PLUS	1/01/00	7/01/06	4.92%		3.1%	8.02%	9%	8.02%

* These loans will not be subject to special allowance payments during the four quarters ending 9/30/07, 12/31/07, 3/31/2008, and 6/30/2008. See Sections 438(b)(2)(C)(i); 438(b)(2)(C)(ii); 438(b)(2)(G)(v); and 438(b)(2)(H)(v) of the Higher Education Act of 1965, as amended.

** To be determined - The weekly average of the one-year constant maturity Treasury yield for the last calendar week ending on or before June 26th is not yet available. This chart will be updated in the July 2007 issue of *Educational Loan Notes*.

Federal Family Education Loan Program
Variable Rate and Fixed Rate Consolidation Loan Interest Rates
July 1, 2007 through June 30, 2008

Table 4

Consolidation Loans Made On or After	Consolidation Loans Made Before	Consolidation Loans for Which the Loan Application was Received by an Eligible Lender On or After	Consolidation Loans for Which the Loan Application was Received by an Eligible Lender Before	Method Used to Determine Interest Rate	Maximum Rate
	7/01/94			The interest rate is the weighted average of the interest rates on the loans consolidated, rounded to the nearest whole percent, but may not be less than 9 percent.	
7/01/94			11/13/97	The interest rate is the weighted average of the interest rates on the loans consolidated, rounded upward to the nearest whole percent.	
		11/13/97	10/01/98	The interest rate is determined annually and equals the bond equivalent rate of 91-Day Treasury Bills auctioned on the final auction held before June 1 st of each year, plus 3.10 percent. The interest rate may not exceed the maximum rate. (For the period July 1, 2007, through June 30, 2008, the interest rate for these loans is 4.92 percent plus 3.10 percent or 8.02 percent.)	8.25%
		10/01/98	Indefinite	The interest rate is the weighted average of the interest rates on the loans being consolidated, rounded to the nearest higher 1/8 th of one percent. The interest rate may not exceed the maximum rate.	8.25%
HEAL portion of the consolidation loan		11/13/97	Indefinite	The interest rate for the HEAL portion of the consolidation loan is determined annually and equals the average of the bond equivalent rates of the 91-Day Treasury Bills auctioned for the quarter ending June 30, plus 3.0 percent. There is no maximum rate on this portion of the loan.	N/A



Michigan Guaranty Agency
Lenders Paying 25 Percent of the One Percent Federal Default Fee
By Lender Name



Lender ID	Lender Name	Servicer	Loan Programs
833067	AMS Education Loan Trust	SLMA	Stafford, PLUS, Grad PLUS
830868	ASAP/Union Bank & Trust	Nelnet	Stafford
834322	**BONY ELT College Board	Citibank	Stafford, PLUS, Grad PLUS
808140	**Charter One Bank, N.A.	Nelnet	Stafford, PLUS, Grad PLUS
803634	Chase - JPMorgan Chase Bank, N.A	SLMA	Stafford, PLUS, Grad PLUS
805974	Chase - JPMorgan Chase Bank, N.A	Nelnet	Stafford, PLUS, Grad PLUS
808732	Chase - JPMorgan Chase Bank, N.A	Nelnet	Stafford, PLUS, Grad PLUS
818590	Chase - JPMorgan Chase Bank, N.A	EDFinancial	Stafford, PLUS, Grad PLUS
803000	Chase - JPMorgan Chase Bank, N.A.	Suntech	Stafford, PLUS, Grad PLUS
833953	CHELA-1 Union Bank and Trust ELT	Nelnet	Stafford
826878	Citibank, N.A.	Citibank	Stafford, PLUS, Grad PLUS
828154	Citibank, N.A.	SLMA	Stafford, PLUS, Grad PLUS
833487	**ColLEDGE	Nelnet	Stafford
830310	College Board	SLMA	Stafford, PLUS, Grad PLUS
805979	Comerica Bank	SLMA	Stafford, PLUS, Grad PLUS
822660	Comerica Bank	Nelnet	Stafford, PLUS, Grad PLUS
825230	Comerica Bank	SLMA	Stafford, PLUS, Grad PLUS
808851	Deutsche Bank ELT Access Group, Inc.	Access Group	Stafford, PLUS, Grad PLUS
831453	edamerica	EDFinancial	Stafford, PLUS, Grad PLUS
833820	Education Solutions/Zions FNB as ELT	Nelnet	Stafford
833617	EFSI	AES	Stafford, PLUS, Grad PLUS
806078	Fifth Third Bank	Nelnet	Stafford, PLUS, Grad PLUS
808780	Fifth Third Bank	SLMA	Stafford, PLUS, Grad PLUS
833501	HACU Educational Loan Program	Nelnet	Stafford
813760	**Keybank, N.A.	NonServiced	Stafford, PLUS, Grad PLUS
624289	LaSalle Bank Midwest, N.A.	SLMA	Stafford, PLUS, Grad PLUS

**Lenders added to chart since 04/13/07 publication.

Lender ID	Lender Name	Servicer	Loan Programs
824289	LaSalle Bank Midwest, N.A.	Nelnet	Stafford, PLUS, Grad PLUS
830525	LaSalle Bank Midwest, N.A.	Nelnet	Stafford, PLUS, Grad PLUS
825585	Michigan Higher Education Student Loan Authority	Nelnet	Stafford, PLUS, Grad PLUS
803674	National City Bank	SLMA	Stafford, PLUS
808877	National City Bank	Nelnet	Stafford, PLUS
826947	National City Bank	SLMA	Stafford, PLUS
833669	National Education Loan Network/Union Bank & Trust	Nelnet	Stafford
829076	Nellie Mae	SLMA	Stafford, PLUS, Grad PLUS
824573	Nelnet Academic Loan	Nelnet	Stafford
833500	Nelnet Education Loan Funding, Inc.	Nelnet	Stafford
833702	Nelnet II	Nelnet	Stafford
833457	Nelnet Student Loan Corp.	Nelnet	Stafford
833907	Nelnet Student Loan Funding/ Zions FNB as ELT	Nelnet	Stafford
833934	Nelnet Student Loan Trust/Zions FNB as TTEE	Nelnet	Stafford
831300	Nelnet Super Loan	Nelnet	Stafford
833670	NHELP III/Wells Fargo ELT	Nelnet	Stafford
833456	NHELP II/Zions FNB as ELT	Nelnet	Stafford
819769	Peninsula Federal Credit Union	NonServiced	Stafford, PLUS
802218	Sallie Mae Education Trust	SLMA	Stafford, PLUS, Grad PLUS
834101	School Loans Corporation	ACS	Stafford, PLUS, Grad PLUS
834064	Student Assistance Foundation	Student Assistance Foundation	Stafford, PLUS, Grad PLUS
831455	Student Loan Funding	SLMA	Stafford, PLUS, Grad PLUS
819873	SunTrust Bank	SLMA	Stafford, PLUS, Grad PLUS
833077	TCF National Bank	SLMA	Stafford, PLUS, Grad PLUS
808543	Union Bank & Trust Company	Nelnet	Stafford
807176	Wells Fargo Educaiton Financial Services	Wells Fargo EFS	Stafford, PLUS, Grad PLUS
829489	Zions Bank as ELT for Nelnet	Nelnet	Stafford
833495	Zions Bank ELT for EMT Corp.	Nelnet	Stafford
833895	Zions ELT Nelnet Management Corp-1	Nelnet	Stafford

**Lenders added to chart since 04/13/07 publication.



Michigan Guaranty Agency

Lenders Paying 25 Percent of the One Percent Federal Default Fee

By Lender Code



Lender ID	Lender Name	Servicer	Loan Programs
624289	LaSalle Bank Midwest, N.A.	SLMA	Stafford, PLUS, Grad PLUS
802218	Sallie Mae Education Trust	SLMA	Stafford, PLUS, Grad PLUS
803000	Chase-JPMorgan Chase Bank, N.A.	Suntech	Stafford, PLUS, Grad PLUS
803634	Chase - JPMorgan Chase Bank, N.A	SLMA	Stafford, PLUS, Grad PLUS
803674	National City Bank	SLMA	Stafford, PLUS
805974	Chase - JPMorgan Chase Bank, N.A	Nelnet	Stafford, PLUS, Grad PLUS
805979	Comerica Bank	SLMA	Stafford, PLUS, Grad PLUS
806078	Fifth Third Bank	Nelnet	Stafford, PLUS, Grad PLUS
807176	Wells Fargo Educaiton Financial Services	Wells Fargo EFS	Stafford, PLUS, Grad PLUS
**808140	Charter One Bank, N.A.	Nelnet	Stafford, PLUS, Grad PLUS
808543	Union Bank & Trust Company	Nelnet	Stafford
808732	Chase - JPMorgan Chase Bank, N.A	Nelnet	Stafford, PLUS, Grad PLUS
808780	Fifth Third Bank	SLMA	Stafford, PLUS, Grad PLUS
808851	Deutsche Bank ELT Access Group, Inc.	Access Group	Stafford, PLUS, Grad PLUS
808877	National City Bank	Nelnet	Stafford, PLUS
**813760	Keybank, N.A.	NonServiced	Stafford, PLUS, Grad PLUS
818590	Chase - JPMorgan Chase Bank, N.A	EDFinancial	Stafford, PLUS, Grad PLUS
819769	Peninsula Federal Credit Union	NonServiced	Stafford, PLUS
819873	SunTrust Bank	SLMA	Stafford, PLUS, Grad PLUS
822660	Comerica Bank	Nelnet	Stafford, PLUS, Grad PLUS
824289	LaSalle Bank Midwest, N.A.	Nelnet	Stafford, PLUS, Grad PLUS
824573	Nelnet Academic Loan	Nelnet	Stafford
825230	Comerica Bank	SLMA	Stafford, PLUS, Grad PLUS
825585	Michigan Higher Education Student Loan Authority	Nelnet	Stafford, PLUS, Grad PLUS
826878	Citibank, N.A.	Citibank	Stafford, PLUS, Grad PLUS
826947	National City Bank	SLMA	Stafford, PLUS

** Lenders added to chart since 04/13/07 publication.

Lender ID	Lender Name	Servicer	Loan Programs
828154	Citibank, N.A.	SLMA	Stafford, PLUS, Grad PLUS
829076	Nellie Mae	SLMA	Stafford, PLUS, Grad PLUS
829489	Zions Bank as ELT for Nelnet	Nelnet	Stafford
830310	College Board	SLMA	Stafford, PLUS, Grad PLUS
830525	LaSalle Bank Midwest, N.A.	Nelnet	Stafford, PLUS, Grad PLUS
830868	ASAP/Union Bank & Trust	Nelnet	Stafford
831300	Nelnet Super Loan	Nelnet	Stafford
831453	edamerica	EDFinancial	Stafford, PLUS, Grad PLUS
831455	Student Loan Funding	SLMA	Stafford, PLUS, Grad PLUS
833067	AMS Education Loan Trust	SLMA	Stafford, PLUS, Grad PLUS
833077	TCF National Bank	SLMA	Stafford, PLUS, Grad PLUS
833456	NHELP II/Zions FNB as ELT	Nelnet	Stafford
833457	Nelnet Student Loan Corp.	Nelnet	Stafford
**833487	ColLEDGE	Nelnet	Stafford
833495	Zions Bank ELT for EMT Corp.	Nelnet	Stafford
833500	Nelnet Education Loan Funding, Inc.	Nelnet	Stafford
833501	HACU Educational Loan Program	Nelnet	Stafford
833617	EFSI	AES	Stafford, PLUS, Grad PLUS
833669	National Education Loan Network/Union Bank & Trust	Nelnet	Stafford
833670	NHELP III/Wells Fargo ELT	Nelnet	Stafford
833702	Nelnet II	Nelnet	Stafford
833820	Education Solutions/Zions FNB as ELT	Nelnet	Stafford
833895	Zions ELT Nelnet Management Corp-1	Nelnet	Stafford
833907	Nelnet Student Loan Funding/ Zions FNB as ELT	Nelnet	Stafford
833934	Nelnet Student Loan Trust/Zions FNB as TTEE	Nelnet	Stafford
833953	CHELA-1 Union Bank and Trust ELT	Nelnet	Stafford
834064	Student Assistance Foundation	Student Assistance Foundation	Stafford, PLUS, Grad PLUS
834101	School Loans Corporation	ACS	Stafford, PLUS, Grad PLUS
**834322	BONY ELT College Board	Citibank	Stafford, PLUS, Grad PLUS

** Lenders added to chart since 04/13/07 publication.